

Uncle Sam eyes ways to thwart counterfeiters

By Roger Boye 475

The Reagan administration is studying ways to enhance the design of paper money in an attempt to thwart a new generation of counterfeiters.

One proposal under scrutiny is replacing the light-green Treasury seal with a three-dimensional picture that would change color as it is viewed from different directions. The picture—called a hologram—would not reproduce well on color copying machines.

Government bureaucrats told some members of Congress about their studies during a briefing early last month. Later, a Texas congressman released copies of the report made there by U.S. Treasurer Katherine Davalos Ortega; the hobby newspaper Coin World excerpted parts of it.

Other possible changes include printing bills on watermarked paper or embedding magnetic fibers into the paper. In the past, officials have insisted that the government would not alter the basic color of U.S. currency, and most of the proposals indicate that dark green will remain the dominant color.

Secret Service agents fret that in a few years, thousands of people will have easy access to advanced color copiers that will make excellent reproductions of greenbacks. One government report indicates that as many as 15 percent of the users of such machines would experiment with duplicating paper money, according to Coin World.

Ortega told the congressman that the government has until about 1986 to make some changes.

"Beyond then, counterfeiting is projected to increase substantially, thus creating a greater risk of a difficult and costly accelerated transition program," she said. Officials making the study are expected to report to Treasury Secretary Donald T. Regan next year. Congressional hearings would be held before any changes were made, Ortega said.

● Newly enacted legislation in Washington orders the U.S. Mint to resume production of uncirculated coin sets, a popular collectible that government workers stopped making in 1981.

That year, Uncle Sam sold 2.9 million sets, charging \$11 a set. The sales netted a handsome profit for the U.S. Treasury, but, ironically, the Reagan administration dropped the program because of staff shortages caused by budget cuts.

Traditionally, the sets have contained one each of the coins struck for general circulation during the year. Mint Director Donna Pope says she will now "rethink the entire program from ground zero," possibly changing the price or plastic-film packaging, among other things.

The mint also will produce proof sets next year, as it has done annually since 1936.